
ENGROSSED SUBSTITUTE HOUSE BILL 1365

State of Washington

62nd Legislature

2011 Regular Session

By House Environment (originally sponsored by Representatives Eddy, Warnick, Morris, and Hinkle)

READ FIRST TIME 02/17/11.

1 AN ACT Relating to distributed generation; amending RCW 19.285.030;
2 and adding a new section to chapter 19.285 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.285.030 and 2009 c 565 s 20 are each amended to
5 read as follows:

6 The definitions in this section apply throughout this chapter
7 unless the context clearly requires otherwise.

8 (1) "Attorney general" means the Washington state office of the
9 attorney general.

10 (2) "Auditor" means: (a) The Washington state auditor's office or
11 its designee for qualifying utilities under its jurisdiction that are
12 not investor-owned utilities; or (b) an independent auditor selected by
13 a qualifying utility that is not under the jurisdiction of the state
14 auditor and is not an investor-owned utility.

15 (3) "Commission" means the Washington state utilities and
16 transportation commission.

17 (4) "Conservation" means any reduction in electric power
18 consumption resulting from increases in the efficiency of energy use,
19 production, or distribution.

1 (5) "Cost-effective" has the same meaning as defined in RCW
2 80.52.030.

3 (6) "Council" means the Washington state apprenticeship and
4 training council within the department of labor and industries.

5 (7) "Customer" means a person or entity that purchases electricity
6 for ultimate consumption and not for resale.

7 (8) "Department" means the department of commerce or its successor.

8 (9) "Distributed generation" means: (a) An eligible renewable
9 resource where the generation facility or any integrated cluster of
10 such facilities has a generating capacity of not more than five
11 megawatts; or (b) solar photovoltaic generation at a facility located
12 in Washington that is capable of generating not more than twenty
13 average megawatts in a calendar year and has by July 31, 2012, either:
14 (i) A site certification from the energy facility site evaluation
15 council; or (ii) a land use permit from a local government.

16 (10) "Eligible renewable resource" means:

17 (a) Electricity from a generation facility powered by a renewable
18 resource other than fresh water that commences operation after March
19 31, 1999, where: (i) The facility is located in the Pacific Northwest;
20 or (ii) the electricity from the facility is delivered into Washington
21 state on a real-time basis without shaping, storage, or integration
22 services; or

23 (b) Incremental electricity produced as a result of efficiency
24 improvements completed after March 31, 1999, to hydroelectric
25 generation projects owned by a qualifying utility and located in the
26 Pacific Northwest or to hydroelectric generation in irrigation pipes
27 and canals located in the Pacific Northwest, where the additional
28 generation in either case does not result in new water diversions or
29 impoundments.

30 (11) "Investor-owned utility" has the same meaning as defined in
31 RCW 19.29A.010.

32 (12) "Load" means the amount of kilowatt-hours of electricity
33 delivered in the most recently completed year by a qualifying utility
34 to its Washington retail customers.

35 (13) "Nonpower attributes" means all environmentally related
36 characteristics, exclusive of energy, capacity reliability, and other
37 electrical power service attributes, that are associated with the
38 generation of electricity from a renewable resource, including but not

1 limited to the facility's fuel type, geographic location, vintage,
2 qualification as an eligible renewable resource, and avoided emissions
3 of pollutants to the air, soil, or water, and avoided emissions of
4 carbon dioxide and other greenhouse gases.

5 (14) "Pacific Northwest" has the same meaning as defined for the
6 Bonneville power administration in section 3 of the Pacific Northwest
7 electric power planning and conservation act (94 Stat. 2698; 16 U.S.C.
8 Sec. 839a).

9 (15) "Public facility" has the same meaning as defined in RCW
10 39.35C.010.

11 (16) "Qualifying utility" means an electric utility, as the term
12 "electric utility" is defined in RCW 19.29A.010, that serves more than
13 twenty-five thousand customers in the state of Washington. The number
14 of customers served may be based on data reported by a utility in form
15 861, "annual electric utility report," filed with the energy
16 information administration, United States department of energy.

17 (17) "Renewable energy credit" means a tradable certificate of
18 proof of at least one megawatt-hour of an eligible renewable resource
19 where the generation facility is not powered by fresh water, the
20 certificate includes all of the nonpower attributes associated with
21 that one megawatt-hour of electricity, and the certificate is verified
22 by a renewable energy credit tracking system selected by the
23 department.

24 (18) "Renewable resource" means: (a) Water; (b) wind; (c) solar
25 energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or
26 tidal power; (g) gas from sewage treatment facilities; (h) biodiesel
27 fuel as defined in RCW 82.29A.135 that is not derived from crops raised
28 on land cleared from old growth or first-growth forests where the
29 clearing occurred after December 7, 2006; and (i) biomass energy based
30 on animal waste or solid organic fuels from wood, forest, or field
31 residues, or dedicated energy crops that do not include (i) wood pieces
32 that have been treated with chemical preservatives such as creosote,
33 pentachlorophenol, or copper-chrome-arsenic; (ii) black liquor by-
34 product from paper production; (iii) wood from old growth forests; or
35 (iv) municipal solid waste.

36 (19) "Rule" means rules adopted by an agency or other entity of
37 Washington state government to carry out the intent and purposes of
38 this chapter.

1 (20) "Year" means the twelve-month period commencing January 1st
2 and ending December 31st.

3 (21) "Solar module" means the smallest nondivisible self-contained
4 physical structure housing interconnected photovoltaic cells and
5 providing a single direct current electrical output.

6 NEW SECTION. Sec. 2. A new section is added to chapter 19.285 RCW
7 to read as follows:

8 For a qualifying utility to count distributed generation from a
9 solar photovoltaic generation facility as defined under RCW
10 19.285.030(9)(b) at double the facility's electrical output, the
11 facility must have installed solar modules of which at least one-half
12 were manufactured in Washington.

13 NEW SECTION. Sec. 3. If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

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